

## **NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS**

March 13, 2026

Virgin Islands Housing Finance Authority  
3202 Demarara Plaza, Suite 200  
St. Thomas, VI 00802-6447  
(340)777-4HFA (4432)

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the Virgin Islands Housing Finance Authority.

### **REQUEST FOR RELEASE OF FUNDS**

On or about March 30, 2025, the Virgin Islands Housing Finance Authority will submit a request to the U.S. Department of Housing and Urban Development (HUD) for the release of Community Development Block Grant - Mitigation funds under Title 1 of the Housing and Community Development of the Act of 1974 (PL93-383), as amended, to undertake a project known as The Residences at 340 North under the Single Family New Home Construction Program.

**Purpose:** The Residences at 340 North responds to a persistent gap in the availability of disasterresilient, affordable homeownership opportunities on St. Thomas particularly for low- to moderate-income households who remain vulnerable to future storms and infrastructure failures. Many families continue to face housing instability due to aging structures, limited land availability, and high construction costs that outpace local incomes. The Residences at 340 North are designed to expand housing choice and create permanently resilient homeownership opportunities in a region that has been repeatedly impacted by hurricanes, flooding, and infrastructure failures. Additionally, by introducing income-qualified homeownership opportunities in Rosendahl, the project helps reduce geographic segregation by income.

**Location:** 4J St. Joseph & Rosendahl No. 4 Gr. Northside Qtr. (1-03003-0387-00) & 4I REM St. Joseph & Rosendahl No. 4 Great Northside Qtr. (1-03003-0306-00)

**Project Description:** The Residences at 340 North is an 80-unit, mixed-income housing development located on St. Thomas, U.S. Virgin Islands. The proposed construction at The Residences at 340 North is a comprehensive, ground-up residential development that will transform currently undeveloped parcels into a fully planned, hazard-resilient community. The overall development includes the construction of thirty-eight (38) turnkey 20-ft town homes, twenty-eight (28) turnkey 24-ft town homes, fourteen (14) turnkey single-family detached homes, and associated site infrastructure (road networks, drainage, storm water management, electrical and communication utilities) to support the turnkey development. However, AC Development has solely requested VIHFA's CDBG-MIT funding for Phase I of this 80-unit development.

Phase I entails the construction of twenty-two (22) town homes with supporting site infrastructure. There will be eleven (11) turnkey 20-ft town homes and eleven (11) turnkey 24-ft town homes. The 20-ft town home is approximately 1,200 square feet and includes 3 bedrooms and 2 bathrooms. The 24-ft town home is approximately 1,450 square feet and includes 3

bedrooms and 3 bathrooms. Each town home can accommodate up to 6 persons (2 persons per room). This means that there can be twenty-two (22) families with up to 132 individuals. All homes will be constructed using Insulated Concrete Forms (ICF), an energy-efficient and hurricane-resilient building system and a FEMA-recognized resilient building material designed to withstand Category 5 hurricane winds and reduce flood-related damage. ICF provides a highperformance building envelope that reduces heating and cooling loads by up to 50%, resulting in lower energy use and improved indoor air quality. ICF construction also uses fewer natural materials than CMU or wood-frame systems, reducing environmental extraction impacts. The Units will be pre-wired for solar integration and designed with passive cooling strategies such as orientation, shading, and efficient insulation, supporting future renewable energy adoption. A significant component of the project involves the construction and improvement of a primary access road to ensure year-round ingress and egress for residents, service providers, and emergency vehicles. The upgraded access will also improve site connectivity via the construction of internal circulation roads to the surrounding area/existing public roadways and help mitigate risk related to isolation during major weather events.

The project also includes on-site systems (to minimize runoff and exposure and flood risk) for stormwater management, cistern-based water storage, and decentralized wastewater treatment. The construction of underground stormwater detention systems, infiltration systems, and drainage controls (such as site grading) will be utilized to manage runoff, control erosion, and mitigate localized flooding risks. Cistern-based domestic water systems for each unit will also be installed, promoting water independence and climate resilience. Additionally, during the construction of The Residences of 340 North, a decentralized wastewater system will be deployed, including individual septic tanks and clustered communal systems with engineered secondary treatment. Earthwork will be required to prepare the site for vertical construction, install utility infrastructure, and accommodate resilient drainage systems. Grading plans are designed to optimize runoff management and limit erosion or pooling during heavy rainfall. The changes proposed to the land are substantial and permanent, establishing a resilient residential neighborhood supported by robust infrastructure.

As for electrical & communications infrastructure, underground electrical conduits, transformers, and related infrastructure will be installed. Some infrastructure across the entire project will be elevated to reduce exposure to flooding and utility disruption. Electrical service will be extended to the site from nearby Virgin Islands Water and Power Authority (WAPA) infrastructure, with pre-wired capability for future solar integration to promote energy resilience. There will also be the provision of communications utility conduits to support broadband and telecom services, reducing overhead exposure and increasing system reliability. These infrastructure elements are designed to reduce reliance on aging and overstressed public systems, consistent with HUD CDBG-MIT principles of redundancy, resilience, and risk reduction.

Lastly, over 65% of the project site will remain designated open space and serve as a potential reforestation site, preserving natural hillside topography, vegetation, and tree cover. This retained open space helps stabilize slopes, manage stormwater naturally, and maintain local biodiversity.

**Estimated Project Cost:** The total HUD funding & estimated project cost is \$7,500,000.00 fully funded by HUD through the Community Development Block Grant – Mitigation (CDBG-MIT) Program under Grant Number B-18-DP-78-0002.

<b>Grant Number</b>	<b>Project Name</b>	<b>HUD Program</b>	<b>Funding Amount</b>
B-18-DP-78-0002	The Residences at 340 North	VIHFA-CDBG-MIT	\$7,500,000.00

**Level of Environmental Review:** Proposed project activities under The Residences at 340 North are classified as an Environmental Assessment (EA) under HUD regulations at 24 CFR Part 58.36. The project scope is entirely new construction; no categorical exclusions or exemptions apply. Thus, the level of Environmental Review is an Environmental Assessment.

### **FINDING OF NO SIGNIFICANT IMPACT**

The Virgin Islands Housing Finance Authority has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at the Virgin Islands Housing Finance Authority at 3202 Demerara Plaza Suite 200, St. Thomas, VI, 00802-6447, Attention Ms. Dayna Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer of Community Development Block Grant-Disaster Recovery Program or by email request at [environmental@vihfa.gov](mailto:environmental@vihfa.gov). The ERR can also be accessed online at the following website <https://cdbgdr.vihfa.gov/cdbg-mitigation/> and may be examined or copied weekdays 8A.M to 5P.M.

The Residences at 340 North must comply with the following mitigation measures to ensure they remain in good standing with HUD and VIHFA’s environmental regulations.

<b>Law, Authority, or Factor</b>	<b>Mitigation Measure</b>
Clean Air Act as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	The development of a Dust Control Plan during construction. If applicable, the solicitation and approval of relevant construction and air permits. Additionally, if needed, the implementation of other air-related mitigation measures.
Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402	Protection of the Virgin Islands tree boa by following the Virgin Islands’ Tree Boa Protocols ( <a href="https://dpr.vi.gov/wpcontent/uploads/2022/10/DPNR-VI-boa-siteclearance-protocol.pdf">https://dpr.vi.gov/wpcontent/uploads/2022/10/DPNR-VI-boa-siteclearance-protocol.pdf</a> ) and the Reasonable and Prudent Measures from the U.S. Fish and Wildlife’s Programmatic Biological Opinion (July 23, 2022) ( <a href="#">Programmatic Biological Opinion (PBO) for the Puerto Rican boa and the Virgin Islands Tree Boa   FWS.gov</a> ) which includes hand clearing before any machine work ensues. Refer to pgs. 914 of this environmental review for guidance.

<p>Historic Preservation, National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800</p>	<p>VISHPO supports the archaeologist's recommendation that the wall be preserved in place and incorporated into the planned residential development. VISHPO encourages its integration as a landscape feature within the residential house lots or designated open green space. Ground disturbing activities are expected to occur in the vicinity of the historic dry laid rubble wall. Thus, VISHPO has requested that its full horizontal extent alignment be documented through measured survey drawings by a licensed Virgin Islands surveyor and representative photographs of the wall be taken. Plans for this documentation and preservation must be submitted to VISHPO for review and approval to ensure compliance</p>
	<p>with the Virgin Islands Antiquities and Cultural Properties Act (Title 29, Chapter 17, Section 9S9).</p>
<p>Noise Abatement and Control Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B</p>	<p>During construction, the project will limit construction to daylight hours and with the large area of preserved forest adjacent to surrounding neighbors.</p>
<p>Executive Order 11990 – Protection of Wetlands 24 CFR Part 55</p>	<p>Prior to the commencement of construction activities, the Responsible Entity shall receive documentation substantiating the environmental professional's qualifications and/or certification related to wetland delineation. Construction shall not proceed until such documentation is provided and accepted by VIHFA.</p>

### **PUBLIC COMMENTS**

Any individual, group, or agency may submit written comments on the ERR to the Virgin Islands Housing Finance Authority, 3202 Demarara Plaza, Suite 200, St. Thomas, VI, 00802-6447, Attention Ms. Dayna Clendinen, Chief Operating Officer and Chief Disaster Recovery Officer, or via email at [environmental@vihfa.gov](mailto:environmental@vihfa.gov). All comments received by March 28, 2026 will be considered by the Virgin Islands Housing Finance Authority prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

### **ENVIRONMENTAL CERTIFICATION**

The Virgin Islands Housing Finance Authority certifies to HUD that Ms. Dayna Clendinen in her capacity as Chief Operating Officer and Chief Disaster Recovery Officer consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Virgin Islands Housing Finance Authority to use HUD program funds.

## OBJECTIONS TO RELEASE OF FUNDS

HUD will accept objections to its release of funds and the Virgin Islands Housing Finance Authority's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the Virgin Islands Housing Finance Authority; (b) the Virgin Islands Housing Finance Authority has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD at U.S. Department of Housing and Urban Development at HUD Caribbean Area Office, Region VI, 235 Federico Costa Street, Suite 200, Parque Las Américas I Building, San Juan, Puerto Rico, 00918. Potential objectors should contact HUD/State to verify the actual last day of the objection period.

Sincerely,

*Dayna Clendinen*

Dayna Clendinen

Chief Operating Officer and Chief Disaster Recovery Officer  
Virgin Islands Housing Finance Authority